

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 203.2 and 203C.5(1), the Department of Agriculture and Land Stewardship hereby gives Notice of Intended Action to amend Chapter 90, “State Licensed Warehouses and Warehouse Operators,” and Chapter 91, “Licensed Grain Dealers,” Iowa Administrative Code.

The amendments specifically add to the rules a provision contained in the Iowa Code that requires a grain warehouse operator or a grain dealer to submit additional financial statements upon the Department’s request. The amendments set out what would be included in the additional financial information and when the information would be due. A technical correction is also made.

Any interested persons may make written suggestions or comments on the proposed amendments on or before January 28, 2014. Written comments should be addressed to Margaret Thomson, Iowa Department of Agriculture and Land Stewardship, Wallace State Office Building, 502 East Ninth Street, Des Moines, Iowa 50319. Comments may be submitted by fax to (515)281-6236 or by e-mail to Margaret.Thomson@IowaAgriculture.gov.

The proposed amendments are subject to the Department’s general waiver provisions.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 203.3 and 203C.6.

The following amendments are proposed.

ITEM 1. Renumber subrule **90.8(13)** as **90.8(14)**.

ITEM 2. Adopt the following **new** subrule 90.8(13):

90.8(13) Other financial statements. The bureau chief may require a warehouse operator to submit financial statements on a monthly or quarterly basis to verify the operator’s financial status or compliance with Iowa Code section 203C.6. These financial statements shall be filed with the bureau by the end of the next month and by the end of every month thereafter until no longer required by the bureau. These financial statements shall contain a minimum of a balance sheet and statement of income and shall be prepared in accordance with generally accepted accounting principles.

ITEM 3. Amend subrule 91.8(8), introductory paragraph, as follows:

91.8(8) Appraisals. Competent appraisals on file with the bureau shall be valid for use in determining asset value for a maximum period of three years. Thereafter, a new appraisal for asset valuation shall be required and shall be used for a like period of time. In the event the certified public accountant expresses doubt as to the licensee’s ability to continue as a going concern, the bureau shall not allow an appraisal to be used to meet net worth requirements. The bureau shall not allow an appraisal to be used to determine the percentage of total liabilities to total assets as it relates to subrule ~~91.17(2)~~ **91.17(3)**, paragraph “e,” concerning the suspension of a licensee’s authorization to use credit-sale contracts. All assets included in the appraisal shall be depreciated by the bureau using the following schedule:

ITEM 4. Renumber subrule **91.8(13)** as **91.8(14)**.

ITEM 5. Adopt the following **new** subrule 91.8(13):

91.8(13) Other financial statements. The bureau chief may require a grain dealer to submit financial statements on a monthly or quarterly basis to verify the grain dealer’s financial status or compliance with Iowa Code section 203C.6. These financial statements shall be filed with the bureau by the end of the next month and by the end of every month thereafter until no longer required by the bureau. These

financial statements shall contain a minimum of a balance sheet and statement of income and shall be prepared in accordance with generally accepted accounting principles.